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I, Melinda M. Morton, declare as follows:

- 1. I am an attorney licensed to practice law before all of the courts of the State of California. I am a partner in the law firm of Bergeson, LLP, counsel of record for plaintiff Verigy US, Inc. ("Verigy") in the above-captioned action. I have personal knowledge of the facts set forth in this declaration, and, if called to do so, I could and would competently testify thereto.
- 2. I submit this declaration in support of Verigy's motion for protective order relieving Verigy of the obligation to respond to the second set of requests for admission propounded by defendants.
- 3. Attached hereto as Exhibit A is a true and correct copy of the Court's Minute Order, dated March 14, 2008. At the March 14, 2008 Case Management Conference, the Court gave each side an opportunity to list what discovery it felt was needed between March 14, 2008 and the next scheduled case management conference on May 23, 2008. The Court granted both sides' requests as to the discovery requested. Defendants did not ask the Court to allow service of a third set of requests for production; nor did they ask permission to serve multiple sets of requests for admission. Defendants informed the Court that they felt Verigy's initial trade secret disclosure was not "reasonably particular," and Verigy agreed to amend the trade secret disclosure in light of discovery to date and to make it more specific. The parties were to use the time until the next CMC to serve this "limited discovery" and to meet and confer on an amended trade secret disclosure. No trial schedule or discovery cut-off has been set.
- 4. On March 17, 2008, I informed Mr. Pasquinelli, counsel for Defendants, that Verigy intended to serve an amended trade secret disclosure on April 14, 2008, and that Verigy was willing to meet and confer at Defendants' convenience once the amended disclosure had been served.
- 5. On March 25, 2008, Defendants served a third request for production of documents, despite the Court's Order that Defendants could serve only a "request for admissions and interrogatories." I requested that Defendants withdraw the third request, but Defendants' counsel refused to do so. Attached hereto as Exhibit B is a true and correct copy of Defendants' third set of requests for production.

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- 6. Attached hereto as Exhibit C is a true and correct copy of defendants' first set of requests for admission served upon my office on April 2, 2008. Verigy responded to the 65 requests for admission on May 8, 2008.
- 7. Attached hereto as Exhibit D is a true and correct copy of defendants' second set of requests for admission served upon my office at 7:20 p.m. on Sunday, April 13, 2008, the day before Verigy was to serve its Amended Trade Secret Disclosure (the "Second Set of Requests"). This 72-page document contains 278 separate requests. Pursuant to stipulation, Verigy's response to the Second Set of Requests is due June 10, 2008.
- 8. Requests for admission nos. 100 – 343 all relate to Verigy's initial trade secret disclosure, which defense counsel knew was to be amended the very next day, Monday, April 14. None of these requests relate to whether the trade secrets listed in Verigy's initial trade secret disclosure constitute trade secrets.
- 9. The Second Set of Requests was initially served unsigned, but Defendants remedied this error the next day. Attached hereto as Exhibit E is a true and correct copy of the email and signature pages sent to me on April 14, 2008.
- 10. On April 14, 2008, I informed Mr. Pasquinelli Defendants that due to travel plans of a key Verigy employee, Verigy would need a few additional days to serve the amended trade secret disclosure, and that it would be served by April 18, 2008. Attached hereto as Exhibit F is a true and correct copy of the Amended Trade Secret Disclosure, served on April 18, 2008. Defendants have yet to approach Verigy with any alleged deficiencies in it, despite the Court's direction for the parties to attempt to resolve any issues prior to the May 23, 2008 CMC.
- 11. Attached hereto as Exhibit G is a true and correct copy of the Initial Trade Secret Disclosure, served August 24, 2007.

Given the Court's standing order regarding attaching letters between counsel to discovery motions, Verigy has attached only the crucial letters and describes the others in this declaration.

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- 12. On Monday, April 28, 2008, the parties met and conferred regarding the Second Set of Requests for Admission and Defendants' Motion to Compel. The parties agreed to postpone the hearing on the motion to compel and to postpone the deadline for Plaintiff's response to the Second Set of Requests for Admission due to the amended trade secret disclosure. The parties attempted to negotiate a stipulation regarding the amended trade secret disclosure and these discovery disputes.
- 13. Unfortunately, the parties were unable to reach agreement, as Defendants demanded that Plaintiff pay their attorneys fees incurred in drafting the motion to compel as well as their fees for drafting the proposed stipulation. Attached hereto as Exhibit H is a true and correct copy of Defendants' proposed stipulation, emailed to me on May 9, 2008. The stipulation also required that Plaintiff stipulate that Defendants did not misappropriate any of the withdrawn trade secrets.
- 14. Verigy drafted a different stipulation. Attached hereto as Exhibit I is a true and correct copy of my May 9, 2008 email to Mr. Pasquinelli with the proposed stipulation.
- 15. Defendants refused to accept Verigy's stipulation, as "it asserts no admissions or grants any rights that Defendants do not already posses[s]." Defendants maintained that payment of attorneys fees for the motion to compel and the stipulation were "critical." Attached hereto as Exhibit J is a true and correct copy of Mr. Pasquinelli's May 12, 2008 email response to my proposed stipulation.
- 16. On May 13, 2008, the parties met and conferred by telephone conference pursuant to Rule 37-1 of the Northern District of California Civil Local Rules. Mr. Pasquinelli, on behalf of Defendants, refused to withdraw the Second Set of Requests. I offered to amend the stipulation to state that the withdrawn trade secrets were out of the case (without any provision that Verigy be allowed to later amend if discovery showed that Defendants had not been forthcoming), but Mr. Pasquinelli was unwilling to enter into any stipulation unless it included a stipulation that Defendants did not misappropriate any of the trade secrets in the Initial Trade Secret Disclosure. Attached hereto as Exhibit K is a true and correct copy of my email to Mr. Pasquinelli including

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